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*Proposed Counsel to the Debtors  
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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

_____	)	
In re:	)	Chapter 11
	)	
COTTONWOOD FINANCIAL LTD., <i>et al.</i> , <sup>1</sup>	)	Case No. 24-80035 (SWE)
	)	
Debtors.	)	(Jointly Administered)
_____	)	

**NOTICE OF BID DEADLINE, AUCTION, AND SALE HEARING**

**PLEASE TAKE NOTICE** that on February 25, 2024, the Debtors filed their *Motion for (I) an Order (A) Approving Bidding Procedures and Certain Bid Protections, (B) Scheduling a Bid Deadline, Auction, and Sale Hearing and Approving the Form and Manner of Notice Thereof, and (C) Approving Cure Procedures and the Form and Manner of Notice Thereof; (II) an Order Approving the Sale of Substantially All of the Debtors' Assets Free and Clear of Liens, Claims and Interests; and (III) Related Relief* [Docket No. 16] (the "Sale Motion").

**PLEASE TAKE FURTHER NOTICE** that on March 22, 2024, the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the "Bankruptcy Court") entered its *Order (A) Approving Bidding Procedures and Certain Bid Protections, (B) Scheduling a Bid Deadline, Auction, and Sale Hearing and Approving the Form and Manner of Notice Thereof, and (C) Approving Cure Procedures and the Form and Manner of Notice Thereof*

<sup>1</sup> The Debtors in these chapter 11 cases and the last four digits of each Debtors' federal tax identification number are as follows: Cottonwood Financial Ltd. (1001); Cottonwood Financial Administrative Services, LLC (7228); Cottonwood Financial Texas, LLC (9059); Cottonwood Financial Idaho, LLC (5651); Cottonwood Financial Wisconsin, LLC (7075). The Debtors' principal offices are located at 2100 W Walnut Hill Lane, Suite 300, Irving, TX 75038.

[Docket No. 151] (the “Bidding Procedures Order”), approving certain Bidding Procedures attached thereto as Exhibit 1.

**PLEASE TAKE FURTHER NOTICE** that, in accordance with the Bidding Procedures Order, unless cancelled, an Auction will take place on **April 29, 2024**, commencing at **10:00 a.m. Central Time** at the offices of Gray Reed, 1601 Elm Street, Suite 4600, Dallas, Texas 75201. The Auction will proceed, and be conducted, pursuant to the terms of the Bidding Procedures.

**PLEASE TAKE FURTHER NOTICE** that a hearing on the sale of the Debtors’ assets, including the assumption and assignment of any executory contracts (the “Sale Hearing”), will take place on **May 13, 2024, at 9:30 a.m. Central Time** in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division, 1100 Commerce Street, Courtroom 3, Dallas, Texas 75242. As set forth in the Bidding Procedures, the Auction and the Sale Hearing may be cancelled, with a notice of cancellation to be filed by the Debtors with the Bankruptcy Court.

**PLEASE TAKE FURTHER NOTICE** that objections, if any, to the Motion and the Sale Transaction (a “Sale Objection”) shall be filed with the Bankruptcy Court and served on the following parties so as to be actually received no later than **May 3, 2024** (the “Sale Objection Deadline”).

**PLEASE TAKE FURTHER NOTICE** that objections to: (i) the Cure Amount proposed by the Debtors must also be filed and served by the Counterparty (a “Cure Objection”) and (ii) the assumption and assignment of the applicable Potential Assumed Contract on the basis of lack of adequate assurance of future performance under section 365(b)(1) (an “Adequate Assurance Objection”) with respect to the Successful Bidder must be filed by **May 6, 2024**.

**PLEASE TAKE FURTHER NOTICE** that any Sale Objection, Cure Objection or Adequate Assurance Objection must: (a) be in writing, (b) state the basis for such objection with specificity, (c) conform to the Bankruptcy Rules and Local Rules of the Northern District of Texas, (d) be filed so as to be actually on or before the Sale Objection Deadline, Cure Objection Deadline or Adequate Assurance Objection Deadline, as applicable; and (e) served upon the following persons: (i) counsel to the Debtors, Gray Reed, 1601 Elm Street, Suite 4600, Dallas, TX 75201, Attn: Lydia R. Webb (lwebb@grayreed.com); (ii) counsel to the Prepetition Secured Parties, Jackson Walker LLP, Attn: Bruce Ruzinsky (bruzinsky@jw.com), Ken Stohner (kstohner@jw.com) and Machir Stull (mstull@jw.com); (iii) counsel to the DIP Lender, Wick Phillips LLP, Attn: Jason Rudd (jason.rudd@wickphillips.com) and Catherine Curtis (catherine.curtis@wickphillips.com); (iv) counsel to any statutory committee; and (v) the Office of the United States Trustee for the Northern District of Texas, 1100 Commerce Street, Suite 976, Dallas, TX 75242, Attn: Asher Bublick (asher.bublick@usdoj.gov).

**PLEASE TAKE FURTHER NOTICE** that the failure to timely file and serve a Sale Objection, Cure Claim Objection or Adequate Assurance Objection by the applicable deadline shall be a bar to the assertion prior to, at the Sale Hearing, or thereafter, of any such objection to the Motion, the Sale, the Debtors’ consummation of the Sale Transaction, or the proposed assumption and assignment of any executory contracts or unexpired leases. Failure to file and serve a Sale Objection by the Sale Objection Deadline shall be deemed to be consent to the Sale

for purposes of Bankruptcy Code section 363(f) and a waiver of any preferential purchase rights or other similar rights to acquire any of the Debtors' assets.

**PLEASE TAKE FURTHER NOTICE** that copies of pleadings related to the proposed sale(s), including the Bidding Procedures Order (and attached Bidding Procedures) approved by the Bankruptcy Court, are available (for free) on the Debtors' Notice Agent website at <https://dm.epiq11.com/CottonwoodFinancial>, or (for a fee) on the Bankruptcy Court's website at <http://ecf.txnb.uscourts.gov/>.

Respectfully submitted this 27th day of March, 2024.

**GRAY REED**

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**Certificate of Service**

I certify that on March 27, 2024, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Northern District of Texas.

/s/ Lydia R. Webb

Lydia R. Webb